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2003 SEP -4 P 2:39

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September 4, 2003

VIA HAND DELIVERY

Ernest Johnson, Director

Utilities Division

ARIZONA CORPORATION COMMISSION

Docket Control

1200 Washington Street

Phoenix, AZ 85007

WS-01303A-02-0867

WS-01303A-02-0868

WS-01303A-02-0869

WS-01303A-02-0870

W-01303A-02-0908

Arizona Corporation Commission

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RE: DIRECT INPUT in the matter of the Application of Arizona-American Water Company for increase in its Rates and Charges for utility service.

DOCKET No. W-01303A-02-0869

Dear Mr. Johnson:

Our firm represents Fiesta RV Resort and we wish to provide **DIRECT INPUT** in the application for increases in the Water Rates and Charges filed by the Arizona-American Water Company in the Mohave Water District. Fiesta RV Resort is a residential customer of the Utility in Mohave County and therefore has an interest in the ramifications of how the water billing is calculated as well as an additional increase in the water rates.

The current method of billing for water use within an RV Park is inappropriate. RV Parks are now classified as "Centrally Metered Residential Units" and are therefore billed based on the number of **Spaces** within the RV Park, regardless of actual occupancy or consumption. This is inappropriate because the number of spaces within RV Parks in Arizona has little to do with the actual number of **occupied** spaces within the park and therefore the actual amount of water consumed. During the summer months, for example, almost all of the RV spaces are vacant.

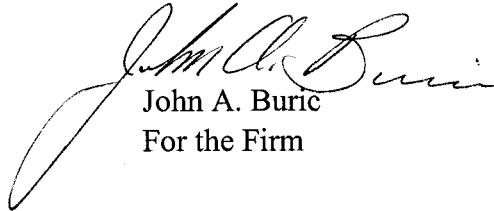
The current water bill for Fiesta RV Resort, for all 12 months of the year, is based on 359 spaces times \$8.65 per space or a **Minimum of \$3,105.35**, regardless of actual occupancy or water consumption. For the bill ending June 27, 2003, the actual bill was **\$3,105.35 plus a Quantity fee of**

\$1,216.56 for a staggering total of \$4,321.91, even though there were relatively few occupied RV Spaces

Fiesta RV Resort proposes that the method of billing for water use within an RV Park be based on the **meter size** serving the property **and a Quantity Rate per 1,000 gallons over an initial 1,000 gallons per space per month**. If this more appropriate and equitable rate were currently in effect, the Fiesta RV Resort water bill for the bill ending June 27, 2003 would have been only **\$1,946.40** (based on a 6" meter rate of \$200.00 and a rate of \$1.48 per 1000 gallons over 1,000 gallons). The bill for this one month alone, with virtually vacant RV spaces is inflated by a factor of **222 Percent or \$2,375.51**.

To our knowledge, every other water utility in Mohave County imposes charges based on the size of the supply line and consumption. We have been informed that the Fiesta RV Resort has complained to Arizona American about the grossly inflated rate on a number of occasions, yet, Arizona American has not proposed a new rate design for RV Parks. Fiesta RV Resort respectfully recommends and requests that the Arizona Corporation Commission amend the current RV Park rate design so that the rate will be equitably based on the size of the meter serving the park along with an appropriate quantity or usage rate.

Sincerely,



John A. Buric
For the Firm

I hereby certify that a copy of
this Direct Input has been mailed to:

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Jay L. Shapiro
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3003 N. Central Avenue, Ste. 2600
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Attorneys for Arizona-American Water Company

By: 

cc: Arizona Corporation Commission (10 copies)